

**MINUTES OF THE
POLITICAL SUBDIVISIONS INTERIM COMMITTEE**
Wednesday, June 20, 2007 – 9:00 a.m. – W130 House Building

Members Present:

Sen. Dennis E. Stowell, Senate Chair
Sen. Fred J. Fife
Sen. Michael G. Waddoups
Rep. Tim M. Cosgrove
Rep. Bradley M. Daw
Rep. Gage Froerer
Rep. Kerry W. Gibson
Rep. Richard A. Greenwood
Rep. Christopher N. Herrod
Rep. Christine A. Johnson
Rep. Brad King
Rep. Jennifer M. Seelig
Rep. Carl Wimmer
Rep. Scott L Wyatt

Members Absent:

Rep. Fred R Hunsaker, House Chair
Sen. Sheldon Killpack
Rep. Sheryl L. Allen

Staff Present:

Mr. Joseph Wade, Policy Analyst
Mr. Robert H. Rees, Associate General Counsel
Ms. Wendy L. Bangerter, Legislative Secretary

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Dennis Stowell called the meeting to order at 9:15 a.m.

MOTION: Rep. Cosgrove moved to approve the minutes of the May 16, 2007 meeting. The motion passed unanimously. Sen. Waddoups was absent for the vote.

2. Envision Utah

Mr. Alan Matheson, Executive Director, Coalition for Utah's Future, Sponsor of Envision Utah, gave a presentation showing the history of Envision Utah and its evolution over the years since its formation in 1997. He showed the elements of planning and the process they use in their quality growth strategies. He reviewed current projects, the most recent being Vision Dixie in Washington County.

Committee discussion followed.

3. Process for Incorporation of a Town

Mr. Wade explained the current statutory process to incorporate a town. He distributed a chart, "Process to Incorporate a Town," also shown on the screen. He reviewed the process. He also referred to the bill in the packet H.B. 466, "Incorporation of a Town Amendments," passed in the 2007 General Session, which the proponents of this agenda item claim may have had some unintended consequences.

Mr. Brent Gardner, Utah Association of Counties, explained how H.B. 466 impacts Garfield County. He said that with the passage of the bill, the county no longer has authority to deny a request for incorporation of a town, thus removing the county's discretion. He also expressed the county's concerns for the loss of sales tax revenue.

Mr. D. Maloy Dodds, Garfield County Commissioner, stated that Garfield County is economically depressed and tourism is their main industry. He reviewed specific ways H.B. 466 impacts their tax base.

Mr. Clare Ramsay, Garfield County Commissioner, reiterated the negative impact H.B. 466 would have and the tax increases they would have to implement to offset that impact.

Committee discussion followed.

Mr. Lincoln Shurtz, Utah League of Cities and Towns, provided insight into the bill's intent to change the service levels for property owners. He posed the fundamental question: "what role do property owners have as to who governs them and who can provide the best services to them?" He encouraged the Committee to study the issue further before taking action.

4. Followup on Eminent Domain Severance Damages

Mr. Rees distributed "Overview of Eminent Domain." He explained that eminent domain is a common law principle that requires the power of government to take private property for the benefit of the public at large. He reviewed the constitutional limitations and two key questions: what is a public use and what is just compensation? He reviewed Utah Code where those two questions are addressed.

Ms. Linda Hull, UDOT (Utah Department of Transportation), explained that purchasing private property is often a difficult, but crucial, part of their responsibility to taxpayers; as well as to spend taxpayer dollars frugally for necessary services as they work to increase the quality of life of a community as a whole.

Mr. Lyle McMillan, Director of Right of Way, UDOT, explained how over the past eight years, his office has changed how they now negotiate with property owners. As a result they have raised their success rate and lowered their condemnation rate, which has become the lowest rate in the nation. Protecting private property rights is one of their biggest concerns. He explained the system in place today, which allows for severance damages when UDOT only purchases the part of the property that is needed.

Mr. Gary Crane, Utah League of Cities and Towns and member of the Governor's Board of Eminent Domain, noted that cities pay 10 to 20 percent more to property owners for their property. He praised the use of the property rights ombudsman to help solve the problems of property taking.

Mr. Brent Bateman, Property Rights Ombudsman, explained that the two primary ways to obtain property are through taking or through negotiations. He said UDOT often pays more, but that results in most situations being settled through negotiations. He expressed the need for a scientific way to measure the property value.

Committee discussion followed.

5. Local Government Campaign Financial Reports

This item was postponed to a future meeting.

6. Other Items / Adjourn

MOTION: Rep. Gibson moved to adjourn the meeting. The motion passed unanimously. Rep. Greenwood and Rep. King were absent for the vote.

Chair Stowell adjourned the meeting at 11:45 a.m.